

## **INTRODUCTION**

The Executive Agency's Office of Management and Budget (OMB) in accordance with Governor Markell's Supplier Diversity Executive Order has created the following supplier diversity plan. We recommend all reviewers to reference the definitions section of the document on page six. The supplier diversity plan also contains a timeline of scheduled activities to increase the accountability and integrity of the supplier diversity. The supplier diversity activity timeline can be found in the appendix. This plan was not created to exclude any potential suppliers and all events, workshops and publications sponsored by OMB are accessible to the entire vendor community.

**Please note there is a more detailed supplier diversity diagram on page ten with expected activities for each step in the cycle.**



## **OVERVIEW**

On September 6, 2011 Governor Jack Markell executed Executive Order No. 29 Ensuring Representation Of Veteran-Owned Businesses In Delaware's Supplier Diversity Initiatives which amended Executive Order No. 14 Increasing Supplier Diversity Initiatives within State Government.

This Executive Order stipulates that the State benefits from an inclusive business environment that includes providing opportunities for veteran, minority and/or women businesses and that:

- A December 2007 report titled Economic Development State Policies for Minority and Women Business Development (M/WBE), the Insight Center for Community Economic Development noted that business inclusive initiatives have been recognized by the Federal Government and a majority of states in our nation as strategic and good for sustained economic growth; and

- The State of Delaware benefits from a successful veteran, minority and women business community as a part of the general public, in addition to being a procurer of goods and services from a competitive marketplace wherein successful aforementioned businesses prosper; and
- The State has made significant advances in transparency through the online posting of bid opportunities and business intelligence information on mymarketplace.delaware.gov as well as the establishment of the online checkbook; and
- Publishing awarded advertised contracts on mymarketplace.delaware.gov will further increase transparency, accountability and competitiveness in State procurement; and
- Coordinated efforts of the public and private sectors are necessary to increase the participation of minority and/or women business enterprises in all aspects of State contracting and procurement.

#### **Designation of the Agency Minority and Women Business Enterprise (M/WBE) Liaison**

Among a number of critical tasks associated within OMB, to designate a Minority and Women Business Enterprise Liaison, who shall have direct access to his or her Secretary, department head, or similar cabinet-level official concerning minority and/or women business enterprise program matters. The OMB Secretary, Ann Visalli, has appointed Dean Stotler, Director, Government Support Services as the Minority and Women Business Enterprise Liaison for the Agency.

#### **Responsibilities of OMB Minority and Women Business Enterprise Liaison**

OMB's Minority and Women Business Enterprise Liaison shall be responsible for the following:

- Assisting the Executive Director of the Office of Minority and Women Business Enterprise and the Governor's Supplier Diversity Council, as created in Executive Order No. 29, including but not limited to, discussing supplier diversity best practices and educating staff on increase opportunities for veteran, minority and women businesses.
- Assist in the development and implementation of the Agency's Supplier Diversity Action Plan, as required in Executive Order No. 29.
- Prepare reports for the Governor's Supplier Diversity Council inclusive of veteran, minority and women business participation in procurement process and utilization of veteran, minority and women businesses; and

- Undertake such additional tasks relating to Executive Order No. 29 as required from time to time by the Governor

### **Goals of Executive Agency Supplier Diversity Action Plan**

The goals of the OMB supplier diversity action plan align precisely with the goals of Executive Order No. 29. Specifically those goals are to:

- Maximize contracting opportunities for veteran, minority and women businesses.
- Increase transparency for subcontracting opportunities.
- As appropriate, support the Office of Minority and Women Business Enterprise (OMWBE) statewide goals and objectives for increasing supplier diversity initiatives statewide as defined in Executive Order No. 29.

### **OMB Supplier Diversity Plan**

The primary components of the OMB's supplier diversity plan include opportunity recognition, education, training (internal and external), outreach and evaluation.

#### **Opportunity Recognition**

A recognized major barrier for small businesses inclusive of veteran owned businesses and M/WBEs is the identification of non advertised opportunities and the limited amount of time to prepare for advertised opportunities. Specifically, when an advertised opportunity is available there may not sufficient time for small business inclusive of veteran business, M/WBEs to identify potential partners and utilize the available resources to assist small business secure opportunities. OMB will execute the following to increase the recognition of opportunities and sufficiently communicate the information to OMWBE to increase the planning time for all interested vendors to prepare for opportunities.

- A. Conduct a series of needs analysis via various online survey tools such as Survey Monkey or Zoomerang, which will include but not be limited to soliciting detailed examples from OMB employees to identify under threshold and planned opportunities. This will also include identifying key words of products and services OMB buys off contract, so M/WBEs can use the keywords in the OMWBE directory to make it easier for the users of the database to find respective M/WBE companies.
- B. Identify individuals who make under threshold purchases by taking surveys to identify opportunities, these opportunities will be forwarded to OMWBE to target/recruit veteran businesses and M/WBE vendors that provide the specific services.

- C. Forecast contracting opportunities without any renewals and upcoming expiration dates. One method to accomplish this communication is through the OMWBE newsletter the eCompass, which all businesses have the ability to subscribe by emailing OMWBE.
- D. Commit to soliciting the OMWBE online directory for non advertised under threshold opportunities and expand inclusion of public works opportunities that require a minimum three bids. The under threshold document will be reviewed monthly by OMWBE. OMB will also identify when the OMWBE directory was solicited for an opportunity and there were not any available M/WBEs. The under threshold solicitation document can be found on the OMWBE web site.
- E. Identify opportunities (intent to submit) prior to advertised solicitation and attempt to identify before advertisement applicable M/WBEs to ensure all parties are registered to receive bid solicitations – Based on demand agency will host networking, informational partnering seminars to encourage teaming and subcontracting.
- F. Partner with the Division of Facilities Management to identify minor capital improvements project opportunities. This will help foster relationships with small businesses inclusive of veteran business and M/WBEs.
- G. Identify on mymarketplace.delaware.gov pre-bid attendee's lists and proposal is awarded vendor socioeconomic data to identify if the awarded vendor is a certified M/WBE or veteran business.
- H. Publish usage reports on mymarketplace.delaware.gov to identify purchasing trends to make the buying process transparent and increase opportunities for small businesses inclusive of veteran business and M/WBEs to market their products and services.
- I. Attempt to maintain a listing of interested prime contractors for opportunities to foster a partnering environment and effectively procure the supply chain. This list is similar to the plan holders list, which is currently being utilized electronically by the Delaware Department of Transportation.
- J. Maintain a current listing of procurement contacts throughout the State on mymarketpace.delaware.gov.

### **Internal OMB Training**

Although OMB is prepared to offer external training to interested vendors, OMB recognizes the opportunity to internally train State personnel on supplier diversity best practices. OMB is committed to attend internal training on supplier diversity offered by OMWBE, which will include but not be limited to the following topics:

- A. Navigating the OMWBE database and other resources to access M/WBEs.
- B. Identifying purchasing opportunities and identifying best practice communication methods to clearly communicate the needs to the business community.
- C. Reviewing State spend analysis inclusive of M/WBEs.
- D. Discussing M/WBE successes and challenges.
- E. Navigating veteran-owned business directories.

### **Subcontracting/2<sup>nd</sup> Tier Reporting**

OMB has identified this as an opportunity to increase the accuracy of veteran business and M/WBE spend analysis. OMB in partnership with OMWBE will commit to the following to collect veteran business and M/WBE subcontracting/2<sup>nd</sup> tier data:

- A. Commit to using and continually improving the standard subcontracting/2<sup>nd</sup> tier reporting form. The form can be found on the OMWBE web site.
- B. Identify currently awarded prime contractors and ensure relevant contact information is easily available via the web site.
- C. Identify primes vendors that have supplier diversity programs and partner with primes to identify any subcontracting opportunities.
- D. Request subcontracting/2<sup>nd</sup> tier spend information from prime current vendors and contractors and report to OMWBE the primes that have denied the request.
- E. Include in all public works and central contracts the subcontracting/2<sup>nd</sup> tier report.

### **Training, Education and Outreach**

OMB is aware of the need to communicate to the vending community the opportunities available with the State. OMB has defined three levels of training, education and outreach, which can be found in the definition section. OMB is committed to the following:

- A. Work with OMWBE to assist in publishing success stories, identify agency opportunities, develop strategies for success, and contribute content for OMWBE newsletter and social media outlets.
- B. Offer and promote ask the expert training initiatives (level 1 training, education and outreach) on the web site to solicit questions on how to do business with the respective agency and facilitate forums to answer submitted questions, identify consistent themes, and meet decision makers.

- C. OMB will promote the Division of Facilities Management contractor registry, which provides contractors with an additional level of references checks, to work with facilities management for under threshold opportunities. Services include, acoustical ceilings, carpentry, concrete, controls, electric power, flooring, general construction, masonry, mechanical, metal studs and drywall, painting/wallcovering, plumbing, roofing, site work, steel erection, testing and balancing.
- D. OMB will encourage the use of the OMWBE streamlined certification application for eligible M/WBEs with other Federal, State and private M/WBE certifications such as 8(a), Disadvantaged Business Enterprise, the Minority Supplier Development Council, and the Women Business Enterprise National Council.
- E. Identify prime partnerships where the prime vendor is willing to participate in supplier development forums to assist veteran businesses and M/WBEs in becoming 2<sup>nd</sup> tier supplier.

### **Evaluation**

OMB will conduct and participate in surveys and benchmarking studies for continuous improvement in addition to monitoring and evaluating the Agency supplier diversity plan quarterly based on elements from the OMWBE Supplier Diversity Score Card (appendix) and feedback from the Governor's Supplier Diversity Council. The following Key Performance Indicators (KPI's) will also be used to evaluate the supplier diversity plan.

- A. Has OMB's spend increased for veteran businesses and M/WBEs compared to the same time frame previous fiscal year?
- B. Has OMB increased the number of veteran business and M/WBEs solicited for under threshold opportunities from the previous quarter?
- C. Has OMB increased their participation rates for veteran businesses and M/WBEs (# of M/WBEs that have submitted proposals)?
- D. Has the OMB successfully contracted with veteran businesses or a certified M/WBE for the first time?
- E. Has OMB increased subcontracting/2<sup>nd</sup> tier spend reported by prime vendors.

## **DEFINITIONS**

### **Delaware Office of Minority and Women Business Enterprise (OMWBE)**

The Office of Minority and Women Business Enterprise within the Office of Management and Budget shall have, as its mission, to assist minority and/or women business enterprises in competing for the provision of commodities, services, and construction to State departments, agencies, authorities, school districts, higher education institutions and all businesses.

The Office of Minority and Women Business Enterprise shall have the following powers, duties and functions:

- A. The Executive Director of the Office of Minority and Women Business Enterprise will be responsible for providing strategic advice to the Director of the Office of Management and Budget and the Governor pertaining to supplier diversity;
- B. Monitor and evaluate each respective Executive Branch Agency Supplier Diversity Action Plan;
- C. Certify minority and/or women business enterprises and create and maintain a State directory of minority and/or women business enterprises that have been certified; and
- D. Educate minority and/or women business enterprises on how to conduct business with the State of Delaware.

[http://governor.delaware.gov/orders/exec\\_order\\_14.shtml](http://governor.delaware.gov/orders/exec_order_14.shtml)

### **OMWBE Directory (the directory)**

Listing of certified minority and/or women businesses in the OMWBE online directory that have been approved by OMWBE. <http://gss.omb.delaware.gov/omwbe/certdir.asp>

### **Under Threshold Purchases and mandatory state use contract**

Products and services purchased that are not on mandatory state use contract and not advertised through a formal bid process. The dollar amounts and types of purchases are below. Mandatory state use contracts, if available, are defined as every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by the Government Support Services.

**Purchasing Thresholds**

**Material and Non-Professional Services**

Less than \$10,000 - Open Market Purchase  
\$10,000 - \$24,999 - 3 Written Quotes  
\$25,000 and over - Formal Bid

**Public Works (Construction)**

Less than \$50,000 - Open Market Purchase  
\$50,000 - \$100,000 - 3 Letter Bids  
\$100,000 and over - Formal Bid

**Professional Services**

Less than \$50,000 - Open Market  
\$50,000 and over - Formal RFP Process

**Minority and/or Women Business Enterprise (MWBE)**

The company must be (a) 51 percent owned by woman and/or minority group (b) 51 percent managed by woman and/or minority group (c) certified as a M/WBE in home state of business a for profit business. Minority groups include African Americans, Asian Americans, Hispanic Americans, Native Americans and Subcontinent Asian Americans. All ethnicities of women are eligible for certification.

Please note if a firm is certified as a Disadvantaged Business Enterprise by the Delaware Department of Transportation, they are automatically certified with OMWBE.

**Veteran Owned Businesses**

Businesses that have registered as veteran owned businesses in the Central Contractor Registry, vetbiz.gov, dynamic small business database or the State's W-9 online form.

**Supplier**

Not just limited to vendors that provide commodities, but all vendors inclusive of materials, non professional services, public works and professional services that can provide products or services work the respective agency supply chain.

**Facilities Management Contractor Registration Application**

A pre qualification document developed by facilities management to review contractors' qualifications interested in under threshold public works projects. Services include, acoustical ceilings, carpentry, concrete, controls, electric power, flooring, general construction, masonry, mechanical, metal studs and drywall, painting/wallcovering, plumbing, roofing, site work, steel erection, testing and balancing. The following document can be found on the OMWBE web site.



## **Training, Education and Outreach**

### **Level I - Training, Education and Outreach**

Will consist of primarily using online tools such as presentations, publications contributed to OMWBE including but not limited to agency opportunities, success stories, published “how to do” online business materials (examples include the strategies for success presentation on OMWBE web site and the selling to the state guide on the Government Support Services web site) inclusive of purchasing contacts, current active contracts with contact information, links to bids.delaware.gov on purchasing web site, contracting officer contact information, posting the OMWBE web site on respective agency web sites.

### **Level 2 - Training, Education and Outreach**

Will consist of participating in events, such as supplier development forums organized in partnership with OMWBE generally ranging from one to two hours to describe agency processes and discuss potential opportunities, for example the Small Business Administration annual certification and opportunity workshops.

### **Level 3- Training, Education and Outreach**

Will consist of attending trade shows for small businesses inclusive of minority and women businesses, for example the Governor’s Entrepreneurial Conference, Delaware Economic Development Office Diversity Summit, the City of Wilmington Megabizfest, where agency will be able participate in matchmaking sessions to talk to prospective vendors and discuss procurement opportunities.

### **Internal State Agency Training**

Will consist of ensuring agency personnel can navigate veteran owned business database and the OMWBE directory, understand the OMWBE certification process and identify resources for assisting businesses, also working with OMWBE to identify under threshold agency needs, upcoming contracts, identifying non certified MWBEs to encourage certification, discussing barriers and opportunities. Training methods will include but not be limited to workshops, webinars and conference calls.

### **Pre “Pre” Bid Meeting**

Will consist of identifying opportunities (intent to submit) prior to advertised solicitation and identify before advertisement applicable MWBEs to ensure all parties are registered to receive bid solicitations. Based on demand agency will host networking, informational partnering seminars to encourage teaming and subcontracting. The intent to submit information will be captured by OMWBE in partnership with GSS.

### **Subcontracting 2<sup>nd</sup> tier/Request**

When contract is awarded, a request is made to the prime vendor to submit dollars paid to minority and/women vendors for services provided for respective Delaware contract.

Examples of currently contracted companies with robust 2<sup>nd</sup> tier/subcontractor supplier diversity program are as follow.

- International Technology Gaming
  - <https://www.igt.com/SupplierDiversity/base.asp?pid=29>
- Kelly Services
  - <http://www.kellyservices.us/web/us/services/en/pages/supplier.html>
- ADP
  - <http://www.adp.com/about-us/diversity/supplier-diversity.aspx?cid=CORP-031909>
- Sysco
  - [http://www.sysco.com/diversity/suppliers\\_heritage.html](http://www.sysco.com/diversity/suppliers_heritage.html)

Identifying veteran businesses and M/WBE subcontracting for State monies such as pass thru funding for non profits, grant funded programs, municipalities etc. Examples include but are not limited to Environmental Protection Agency (Clean Water State Revolving Fund, Drinking Water State Revolving Fund), Delaware Transit Corporation, Energy Service Company Projects (ESCO), and library construction funding.

- Subcontracting templates are posted on the OMWBE web site.

### **Prime Partnerships**

Consist of encouraging and working with currently contracted prime vendors to provide examples of how the MWBE community on how to work with respective prime vendor as subcontractor to provide services for current State of Delaware contract. An example of a prime partnership was the Construction Assistance Participation Series (CAPS) with Turner Construction. The program was in partnership with the City of Wilmington and the Small Business Administration that covered such topics as construction, cost estimating, sales, marketing, insurance, bonding, accounting, banking relations, scheduling, operational management, construction management, safety, field operations, bidding, greening and human resource management. This can also consist of asking prime vendors to participate in vendor trade shows.

**Identification of Potential and Current Veteran Businesses and M/WBEs**

The goal of this metric is to identify all veteran, minority and/or women vendors that are suppliers or have the potential to become suppliers and ensure they are certified with Delaware's Office of Minority and Women Business Enterprise. This can include identifying entry points on respective agency web sites to encourage OMWBE certification. Examples of agency web sites include Department of State licensing, Accounting W-9 and OneStop business registration. OMWBE will review quarterly with respective agency the listing spend with certified MWBEs and processing the self certified MWBE from two primary sources the W-9 online <https://dew9.accounting.delaware.gov/accounting/w-9.nsf/w9!OpenForm> and the Federal Government's Central Contractor's Registry <https://www.bpn.gov/ccr/default.aspx>

**APPROVED:**

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Honorable Ann Visalli  
Secretary  
Delaware Office of Management & Budget

